

Indiana Office of Energy Development



GUIDELINES FOR THE ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT PROGRAM (Small Business, Higher Education, Health Care Facilities, and Non-Profits)

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SUMMARY

The American Recovery and Reinvestment Act of 2009, Public Law 111-5, appropriates funding for the Department of Energy (DOE) to issue/award formula-based grants to states, U.S. territories, units of local government, and Indian tribes under the Energy Efficiency and Conservation Block Grant (EECBG) Program. DOE's authorization for this program is set forth in Title V, Subtitle E of the Energy Independence and Security Act (EISA) of 2007.

Projects under this announcement will be funded, in whole or in part, with funds appropriated by the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, (Recovery Act or Act). The Recovery Act's purposes are to stimulate the economy and to create and retain jobs. The Act gives preference to activities that can be started and completed expeditiously, including a goal of using at least 50 percent of the funds made available by it for activities that can be initiated not later than June 17, 2009. Due to the schedule of this Funding Opportunity Announcement, this date does not impact activities in the EECBG Program. Accordingly, special consideration will be given to projects that promote and enhance the objectives of the Act, especially job creation, preservation and economic recovery, in an expeditious manner.

Be advised that special terms and conditions may apply to projects funded by the Act relating to:

- Reporting, tracking and segregation of incurred costs;
- Reporting on job creation and preservation;
- Publication of information on the Internet;
- Access to records by Inspectors General and the Government Accountability Office;
- Prohibition on use of funds for gambling establishments, aquariums, zoos, golf courses or swimming pools;
- Ensuring that iron, steel and manufactured goods are produced in the United States;
- Ensuring wage rates are comparable to those prevailing on projects of a similar character;
- Protecting whistleblowers and requiring prompt referral of evidence of a false claim to an appropriate inspector general; and
- Certification and Registration.

These special terms and conditions will be based on provisions included in Titles XV and XVI of the Act. These Special Provisions are located at http://management.energy.gov/business_doe/business_forms.htm.

Recipients of funding appropriated by the Act shall comply with requirements of applicable Federal, State, Tribal and local laws, regulations, DOE policy and guidance, and instructions in this announcement, unless relief has been granted by DOE. Recipients shall flow down the requirements of applicable Federal, State, Tribal and local laws, regulations DOE policy and guidance, and instructions in this announcement to sub

recipients at any tier to the extent necessary to ensure the recipient's compliance with the requirements.

Be advised that Recovery Act funds can be used in conjunction with other funding as necessary to complete projects, but tracking and reporting must be separate to meet the reporting requirements of the Recovery Act and related OMB Guidance. Applicants for projects funded by sources other than the Recovery Act should plan to keep separate records for Recovery Act funds and to ensure those records comply with the requirements of the Act. Funding provided through the Recovery Act that is supplemental to an existing grant is one-time funding.

INDIANA

Indiana's EECBG program will provide grants for Indiana's small businesses, higher education institutions, health care facilities, and non-profits for the purchase and installation of energy efficient technology as outlined in this document.

Energy efficient retrofits of existing structures help conserve energy and manage costs. In a time of rising energy costs and increased energy supply volatility, it is vital to our economic future to decrease energy consumption and lower long term energy costs.

The purpose of the Indiana EECBG Program is to assist eligible entities in creating and implementing strategies to:

- reduce fossil fuel emissions in a manner that is environmentally sustainable and, to the maximum extent practicable, maximizes benefits for local and regional communities;
- reduce the total energy use of the eligible entities; and
- increase energy efficiency, reduce energy consumption and reduce energy costs through efficiency improvements;
- create new jobs and increased productivity to spur economic growth and community development;
- leverage the resources of federal, state and local governments, utilities and utility regulators, private sector and non-profit organizations to maximize the resulting energy, economic and environmental benefits.

APPLICATION TIMELINE

Please pay close attention to the dates set forth below. It is important to note that if awarded, the project must begin on or after **6/1/10** and all grant funds must be expended by **12/31/10**.

2/22/10	Grant Program announced and posted to OED website. Applicant will have energy audit completed, if desired
3/15/10	Applications will be posted to the OED website
4/30/10	OED must receive electronic application
5/28/10	Applicants will be notified of their award or denial via e-mail. If awarded, work on the project, such as ordering the equipment or getting zoning variances, can start at the awardees risk
7/1/10	Grant agreements will be generated and e-mailed
7/16/10	Signed grant agreements must be returned.
7/3/10	Grantees' first ARRA (stimulus) report is due to OED.
7/15/10	Grantees' first OED quarterly report is due. Reporting will continue through grant expiration.
12/31/10	Project activities completed and all funds drawn down.
9/30/12	Grant agreement expires.
10/30/12	Final report is due.

ELIGIBILITY

Eligible applicants include:

- Small businesses as defined in Indiana Code 4-22-2.1-4
- Non-profits must be recognized by the Internal Revenue Service as a 501(c)(3) or 501(c)(6) organization.
- Institutions of higher education
- Healthcare facilities as defined in Indiana Code 16-18-2-161

Eligible entities must also meet the following requirements:

- An organization must be current in its filing requirements to the Indiana Secretary of State to be eligible for a state or federal grant.
- Project activities must be located in Indiana.
- The applicant must pay the energy bills

SCORING/FUNDING

When scoring, the following will be evaluated:

- ability to start project and install within the timeframe specified by this document
- grant experience
- environmental benefit
- jobs created or retained
- energy savings
- energy cost savings

Be aware that partial funding can be awarded, and applicants awarded partial funding may not appeal the decision made by OED. Only one application per applicant will be accepted, but multiple projects can be encompassed into one application as long as all of the projects are within the guidelines.

The applicant must inform OED of refusal of funds within two weeks from original notification of award. Failure to notify OED of the refusal of funds will result in the applicant becoming ineligible for further evaluation of funding for the EECBG program.

COSTS

A 50% cost share is required. In other words, if a project's total cost is \$50,000, the applicant can only request \$25,000 from OED and must leverage \$25,000 in non-federal funds. An example of proof of cost share could be either a bank statement or a loan approval document.

If awarded, grantees must report to OED immediately if their budget or project activities change with a rationale for the change prior to implementing the change.

Eligible costs must be incurred between award date and December 31, 2010. **This means that projects that begin before award notification or that will not be completed by December 31, 2010 are ineligible for grant funding.**

The floor for a grant request is \$10,000, and the ceiling is \$100,000.

More expensive projects can be considered, but additional costs will not be subsidized.

Energy audits are the only item/activity cost that can be incurred prior to award. If awarded, grantees may claim the audits as an eligible, reimbursable expense. Please be aware that energy audit costs are incurred at the applicant's expense and will not be reimbursed if the applicant is not awarded grant funds.

Depending on the quality of the applications received, OED may award smaller grant amounts than expected.

APPLICATION INSTRUCTIONS

The application must be completed through OED's online grant portal. Applications submitted through other means will not be considered. Only complete applications will be allowed to be submitted.

The grant portal will request several attachments to be uploaded. Please only include one attachment per section. For example, if you are asked to provide equipment information, it should be in one .pdf file, even if there are multiple pages to that .pdf.

The applicant is responsible for the investigation/procurement of all relevant local permits and zoning permissions as well as any environmental review that may be needed to determine possible harm.

The applicant is responsible for all costs and expenses associated with submitting this proposal. Administrative costs will not be reimbursed.

OED may request additional information after submission from an applicant to further evaluate an application. Failure to adequately address the request will cause OED to score the application as is, which could affect an applicant's overall score and/or eligibility.

OED expressly reserves the right to modify or withdraw this request for applications at any time, whether before or after applications have been submitted.

NEPA

All projects receiving financial assistance from DOE must be reviewed under the National Environmental Policy Act (NEPA) of 1969-42 U.S.C. Section 4321 et seq.

Historic Preservation (Section 106 Review)

The Section 106 process determines whether a property is historic (one that is either listed in or eligible for inclusion in the National Register of Historic Places) and to insure work doesn't significantly and unnecessarily alter, damage, or destroy both above and below ground historic and/or cultural resources. Federal financial assistance (grants or loans) triggers the Section 106 review. Please see the document entitled "Section 106 Review Process Package" in the area where all the other Indiana EECBG documents are posted on the website for more guidance on further actions applicants should take.

If an applicant fails to undergo this process, the project will not be funded. Ignoring additional requests for information from SHPO could endanger grant funding as well.

Davis Bacon Act

All projects receiving financial assistance from DOE must be compliant with the Davis Bacon Act. Section 1606 of the Recovery Act requires that all laborers and mechanics employed by contractors and subcontractors on projects funded directly by or assisted in whole or in part by and through the Federal Government pursuant to the Recovery Act shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code.

OED will **not** allow EECBG funds that are sub-granted to eligible entities to be used for administrative purposes. OED will sub-contract directly with third parties familiar with Davis-Bacon requirements to monitor wage rates and weekly payroll for grantees.

DUNS Number

If your organization does not have a DUNS number, go to the Dun & Bradstreet (D&B) online registration located at <http://fedgov.dnb.com/webform/displayHomePage.do> to receive a number free of charge or call 1-800-234-3867. Please be aware that this process may take up to 10 days so please do not wait until the application is due to obtain your DUNS.

TERMS

Grants are only available for eligible applicants. OED reserves the right to award none of the funding allotted, depending on the quality and eligibility of applications. Funds cannot be drawn down until there is an executed grant agreement (contract). **The funds must be drawn down by 12/31/2010. All grants from OED are on a reimbursement basis only. There is no advance payment in this grant program due to the funding source origination.**

Funds may be used in conjunction with other financing programs, however funds for the 50% cost share cannot be federal funds. Grant funds may only be used for the purchase and installation of relevant equipment and systems covered in the contract.

Recipients must disclose all federal awards received per year. Any grantee expending Five Hundred Thousand Dollars (\$500,000) or more in federal awards per year must have an audit made for that year by an independent auditor. Non-profit organizations, institutions of higher education, and local governments should consult the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507) and revised OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations" for guidance.

GRANTEE RESPONSIBILITIES

Reporting Requirements

OED will collect monthly ARRA (stimulus) reports from grantees each month. In addition, grantees will also be required to submit a separate ARRA report each quarter, due by the 3rd of each month following the end of the quarter, and an OED report, due by the 15th of each month following the end of the quarter.

These reports will detail activities and results such as timelines, budget information including grant monies received, the items listed below, and a narrative on the project's progress. A final progress report will be due upon the expiration of the grant. This final report will summarize all aspects of the project.

Please see the table below for a list of potential reporting requirements:

Jobs created and retained
Funds leveraged
Energy saved (kWh, MMBTU, etc.)
Cost savings
of buildings retrofitted
of units purchased, by type (lighting units) (use T8 avg)
Methane emissions reduced (tons) (CO2 equivalents)
Reduction in fuel oil consumption (gallons)
Reduction in electricity consumption (MWh)
Reduction in propane consumption (gallons)
Greenhouse gas emissions reduced (tons)

All reports will be collected electronically. No exceptions will be made.

Failure to comply with the reporting requirements by report tardiness or failure to provide sufficient information may result in repayment of the grant funds, and it could affect the viability of any future applications from the grantee.

Please consider the reporting requirements seriously before application submission to ensure your ability for compliance.

Maintain Communication

The grantee shall maintain communication with the Office of Energy Development for the duration of the Grant Agreement. The grantee is obligated to report any changes in the project scope, budget, installation date etc. with OED as soon as they become aware of the changes. Failure of the grantee to report any changes in the activities, scope, or budget of their project once awarded constitutes a breach of contract on the part of the grantee and will jeopardize the receipt of grant monies. The grantee shall acknowledge the financial support of OED by displaying the logo of OED on any webpage, media, or printed materials that mention the project.

Site Visits

Grantee shall allow OED to conduct project site visits when given (5) business days notice. At least one site visit will be conducted per grantee.

Tax Liabilities

Grantee must be current on all tax liabilities owed to the Indiana Department of Revenue or the Indiana Department of Workforce Development prior to the award being finalized. OED encourages applicants to contact these agencies to determine their status prior to applying.

Modifications

Grantees must report to OED immediately if their proposed activities, scope, or budget changes with a rationale for the change prior to the change being implemented.

While the above terms and responsibilities are not exhaustive and intended to substitute for the grantee reading and understanding the contract between their entity and the State of Indiana, they are a good example of the kinds of behavior and deliverables expected by OED and the U.S. Department of Energy.

GRANT APPROVAL

OED administers the grant program and will review and score all grant applications. All grant applications submitted will compete against one another for grant funding.

If the applicant is approved by OED, a grant agreement will be drafted in order to establish the terms of the grant and other conditions needed to manage the grant. Upon award notification, OED expects grantees to immediately begin their project by ordering equipment associated with the project as well as preparing the site of the project and obtaining any relevant permits or variances necessary for project installation to be completed. Once the grantee receives and returns the originally signed grant agreement, the agreement will begin the State's signature process, which can take up to 8 weeks for completion. Upon completing the State signature process, the grantee may draw down on grant funds as the project is completed. Do not wait until the executed contract is returned to start project activities, as the process can significantly delay your project. Delay in contract execution is not an allowable reason for a grantee's failure to complete project installation by the deadline stipulated in the contract. Any costs incurred in this period are at the grantee's risk if the agreement is not signed and returned in this time period, no reimbursement will be made to grantee and all funds will be de-obligated.

Please see the above section entitled "Grantee Responsibilities" for further information on terms and conditions needed to manage the grant.

CONFIDENTIALITY OF INFORMATION

To the extent feasible and permissible by law, the Office of Energy Development (OED) will honor an applicant's request that confidential information submitted to OED will remain confidential. OED will treat information as confidential only if: (i) the information is, in fact, protected confidential information such as trade secrets or privileged or confidential commercial or financial information; (ii) the information is specifically marked or identified as confidential by the applicant; (iii) the information is segregated and placed in a separate appendix to the application; and (iv) no disclosure of the information is required by law or judicial order. If the application results in award of a grant, the honoring of confidentiality of identified data shall not limit the right of OED to disclose the details and results of the grant to the general public.

INDEMNIFICATION

To the extend allowable by law, Applicant agrees to indemnify, defend, and hold harmless the State, its agents, officials, and employees from all claims and suits including court costs, attorney's fees, and other expenses caused by any act or omission associated with the submission of this application. The State shall **not** provide such indemnification to the applicant.

